

Press release

Kebni Q3 report 2024

Kebni reports a second consecutive quarter of positive operating cash flow, with an adjusted EBITDA of 9% and a revenue of 28,3 MSEK, showing a strong 187% growth.

Financial development Jul-Sep 2024 (KSEK)

- Net sales, 28 295 (9 853), 187% growth year-on-year
- Adjusted EBITDA*, 2 646 (-10 474), 9% (-82.3%)
- EBITDA, -1 154 (-10 474), -4% (-82.3%)
- Net profit for the period, -3 347 (-11 098)
- Operating cash flow for the period, 356 (-8 332)
- Earnings per share before and after dilution, -0,01 (-0,04)

Financial development Jan-Sep 2024 (KSEK)

- Net sales, 90 176 (28 129), 221% growth year-on-year
- Adjusted EBITDA*, 8 909 (-25 195), 10% (-90%)
- EBITDA, 5 109 (-25 195), 6% (-90%)
- Net profit for the period, 390 (-32 263)
- Operating cash flow for the period, -2 268 (-28 577)
- Earnings per share before and after dilution, 0,00 (-0,12)

Significant events Jul-Sep 2024

- Kebni announces strategic decision to explore closing down its subsidiary Satmission AB, as part of an enhanced strategic focus, creating improved conditions for growth.
- Kebni secures working capital credit facility with Danske Bank.

Significant events Jan-Sep 2024

- Kebni enters strategic partnership with Varisis for the Indian market.
- Johanna Toll Meyer starts as new CFO.
- ScaffoldSense concluded successful large-scale pilot test.
- Martin Elovsson recruited as new CEO to bring ScaffoldSense to the market.

Comments from the CEO

In the quarter we maintained positive operating cash flow and good over-all financial performance while focusing on growth in high-potential areas.

Continued positive operating cash flow

After achieving our first positive operating cash flow last quarter, I'm pleased to report that we sustained this momentum in Q3 2024. This quarter's results were affected by costs related to the closure of Satmission AB, resulting in a net loss of -3 MSEK. However, EBITDA, adjusted for the one-time costs, is 9% which reflects strong underlying performance. We report a revenue of 28.3 MSEK spread over the two working months of the period, representing a 187% increase compared to Q3 2023.

For the accumulated year, the adjusted EBITDA stands at 10%, and revenue amounts to 90 MSEK. In Q4 2022, after our strategic review, we presented our financial objectives. We don't expect to fully reach the strategic revenue target of 150-200 MSEK, but we anticipate to meet our full-year EBITDA target of 5-10% for 2024.

Growing sales pipelines

We continue to see strong market interest in both Europe and Asia across our Inertial Sensing and remaining Satcom product areas. Our sales pipeline is larger than ever, and the volume of quotations has never been higher. This is a testament to the systematic, long-term market efforts we've made since we began shaping the new Kebni in 2021. As sales cycles and procurement processes in the defence industry are both long and complex, it is through sustained and persistent efforts that we will succeed in winning them. Our success stories with industry giants like Saab strengthen our credibility and build trust in our ongoing discussions with potential customers.

Regarding the Saab contract, we remain confident that Saab's success with NLAW will continue. The order backlog will keep us busy throughout a large part of 2025.

Kebni SensAltion ready for series production

The multi-sensor platform Kebni SensAltion is now ready for series production, a key milestone that positions us to tap into high-growth markets. Currently, around ten customers are evaluating the product in preparation for potential volume orders. These customers, spread across Sweden, Europe and Asia, are testing the product in applications such as UAVs (e.g. drones), automotive systems, and military combat systems. We are fully prepared to meet the expected demand.

ScaffSense preparing for launch

Following the successful pilot test in May 2024, our joint venture ScaffSense is currently being tested in-depth on two different construction sites in Sweden. The aim is to launch the product with the expectation of securing our first paying customer in early 2025. We are excited about the potential this holds for further growth.

Closing Satmission

As part of our refined strategic focus, we have decided to close down our subsidiary, Satmission AB, due to a significantly declining market for broadcasting Satcom antennas. This decision is a step in refocusing our resources to the product areas where we see the greatest potential for long-term growth—Inertial Sensing and our stabilized Satcom

platforms, particularly the Kebni Gimbal, which continues to attract strong market interest. By reducing costs by approximately 1,8 MSEK per quarter and optimizing operations, we are better positioned to accelerate our growth trajectory.

I want to thank all Kebni employees, whose hard work and dedication over the past few years have shaped us into the structured, reliable and quality-driven company we are today. We are now well-positioned to capitalize on the opportunities ahead. Lastly, I'd like to offer a special thank you to the team at Satmission AB and wish them all the best in their future endeavors.

Torbjörn Saxmo, CEO

The full report is available on Kebni's website: <https://www.kebni.com/reports-and-documents/>

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About Kebni AB (publ)

Kebni has a long history and extensive experience in advanced inertial sensing solutions as well as satellite antenna solutions. The company, headquartered in Stockholm, is a leading supplier of reliable technology, products and solutions for stabilization, positioning, navigation, and safety. Kebni serves products and solutions to government, military, and commercial customers globally. The company's share (KEBNI B) is traded on the Nasdaq First North Growth Market. Certified Adviser is G&W Fondkommission. To learn more, visit www.kebni.com

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